H-4172.2			

HOUSE BILL 2958

State of Washington 60th Legislature 2008 Regular Session

By Representatives Hunter, McIntire, and Jarrett

Read first time 01/18/08. Referred to Committee on Appropriations.

- AN ACT Relating to the consolidation of state lottery revenue distributional directives into a single provision of law; amending RCW 67.70.240 and 67.70.240; repealing RCW 67.70.042 and 67.70.043; and
- 4 providing a contingent effective date.
- 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 6 **Sec. 1.** RCW 67.70.240 and 2001 c 3 s 4 are each amended to read as follows:
- 8 (1) In conformance with Article II, section 37 of the state
 9 Constitution, no state lottery moneys, including shared game lottery
 10 moneys, shall be distributed without the specific affirmative directive
 11 of this section.
- 12 (2) The moneys in the state lottery account shall be used only:
- 13 $((\frac{1}{1}))$ (a) For the payment of prizes to the holders of winning lottery tickets or shares;
- $((\frac{(2)}{(2)}))$ (b) For purposes of making deposits into the reserve account created by RCW 67.70.250 and into the lottery administrative account created by RCW 67.70.260;
- 18 $((\frac{3}{3}))$ (c) For purposes of making deposits into the education construction fund ((and student achievement fund created in RCW)

p. 1 HB 2958

43.135.045. For the transition period from July 1, 2001, until and including June 30, 2002, fifty percent of the moneys not otherwise obligated under this section shall be placed in the student achievement fund and fifty percent of these moneys shall be placed in the education construction fund. On and after July 1, 2002, until June 30, 2004, seventy-five percent of these moneys shall be placed in the student achievement fund and twenty-five percent shall be placed in the education construction fund. On and after July 1, 2004,)). All deposits not otherwise obligated under this ((section)) subsection (2)(c) for the payment of state lottery prizes and agent compensation, the promotion and administration of the state lottery, or stadium bond payments, shall be placed in the education construction fund. Moneys in the state lottery account deposited in the education construction fund ((and the student achievement fund)) are included in "general state revenues" under RCW 39.42.070;

((4))) (d) For distribution to a county for the purpose of paying the principal and interest payments on bonds issued by the county to construct a baseball stadium, as defined in RCW 82.14.0485, including reasonably necessary preconstruction costs. Three million dollars shall be distributed under this subsection (2)(d) during calendar year 1996. During subsequent years, such distributions shall equal the prior year's distributions increased by four percent. Distributions under this subsection (2)(d) shall cease when the bonds issued for the construction of the baseball stadium are retired, but not more than twenty years after the tax under RCW 82.14.0485 is first imposed;

((+5)) (e) For distribution to the stadium and exhibition center account, created in RCW 43.99N.060. Subject to the conditions of RCW 43.99N.070, six million dollars shall be distributed under this subsection (2)(e) during the calendar year 1998. During subsequent years, such distribution shall equal the prior year's distributions increased by four percent. No distribution may be made under this subsection (2)(e) after December 31, 1999, unless the conditions for issuance of the bonds under RCW 43.99N.020(2) are met. Distributions under this subsection (2)(e) shall cease when the bonds are retired, but not later than December 31, 2020;

 $((\frac{(+6)}{(+6)}))$ (f) For the purchase and promotion of lottery games and 37 game-related services; and

 $((\frac{7}{1}))$ (g) For the payment of agent compensation.

HB 2958 p. 2

- The office of financial management shall require the allotment of all expenses paid from the account and shall report to the ways and means committees of the senate and house of representatives any changes in the allotments.
- 5 (3) Moneys from the shared game lottery authorized under RCW 67.70.044 shall be distributed in accordance with RCW 67.70.340.
- 7 Sec. 2. RCW 67.70.240 and 2001 c 3 s 4 are each amended to read as 8 follows:
- 9 (1) In conformance with Article II, section 37 of the state
 10 Constitution, no state lottery moneys, including shared game lottery
 11 moneys, shall be distributed without the specific affirmative directive
 12 of this section.
- 13 (2) The moneys in the state lottery account shall be used only:

16

17

18 19

20

21

22

23

24

25

26

27

28

29

30

31

32

3334

35

36

37

- 14 $((\frac{1}{1}))$ (a) For the payment of prizes to the holders of winning lottery tickets or shares;
 - $((\frac{(2)}{(2)}))$ (b) For purposes of making deposits into the reserve account created by RCW 67.70.250 and into the lottery administrative account created by RCW 67.70.260;
 - $((\frac{3}{2}))$ (c) For purposes of making deposits into the education construction fund ((and student achievement fund created in RCW 43.135.045. For the transition period from July 1, 2001, until and including June 30, 2002, fifty percent of the moneys not otherwise obligated under this section shall be placed in the student achievement fund and fifty percent of these moneys shall be placed in the education construction fund. On and after July 1, 2002, until June 30, 2004, seventy five percent of these moneys shall be placed in the student achievement fund and twenty-five percent shall be placed in the education construction fund. On and after July 1, 2004,)). All deposits not otherwise obligated under this ((section)) subsection (2)(c) for the payment of state lottery prizes and agent compensation or the promotion and administration of the state lottery shall be placed in the education construction fund. Moneys in the state lottery account deposited in the education construction fund ((and the student achievement fund)) are included in "general state revenues" under RCW 39.42.070;
 - ((4) For distribution to a county for the purpose of paying the principal and interest payments on bonds issued by the county to

p. 3 HB 2958

- construct a baseball stadium, as defined in RCW 82.14.0485, including 1 reasonably necessary preconstruction costs. Three million dollars 2 shall be distributed under this subsection during calendar year 1996. 3 During subsequent years, such distributions shall equal the prior 4 year's distributions increased by four percent. Distributions under 5 this subsection shall cease when the bonds issued for the construction 6 7 of the baseball stadium are retired, but not more than twenty years after the tax under RCW 82.14.0485 is first imposed; 8
 - (5) For distribution to the stadium and exhibition center account, created in RCW 43.99N.060. Subject to the conditions of RCW 43.99N.070, six million dollars shall be distributed under this subsection during the calendar year 1998. During subsequent years, such distribution shall equal the prior year's distributions increased by four percent. No distribution may be made under this subsection after December 31, 1999, unless the conditions for issuance of the bonds under RCW 43.99N.020(2) are met. Distributions under this subsection shall cease when the bonds are retired, but not later than December 31, 2020;
- 19 (6))) (d) For the purchase and promotion of lottery games and game-20 related services; and
- $((\frac{7}{}))$ (e) For the payment of agent compensation.

9

10

1112

13

14

15

16 17

18

- The office of financial management shall require the allotment of all expenses paid from the account and shall report to the ways and means committees of the senate and house of representatives any changes in the allotments.
- 26 (3) Moneys from the shared game lottery authorized under RCW 67.70.044 shall be distributed in accordance with RCW 67.70.340.
- NEW SECTION. Sec. 3. The following acts or parts of acts are each repealed:
- 30 (1) RCW 67.70.042 (Scratch games--Baseball stadium construction) 31 and 1997 c 220 s 207 & 1995 3rd sp.s. c 1 s 104; and
- 32 (2) RCW 67.70.043 (New games--Stadium and exhibition center bonds, 33 operation, and development--Youth athletic facilities) and 1997 c 220 34 s 205.
- 35 <u>NEW SECTION.</u> **Sec. 4.** Sections 2 and 3 of this act take effect on

HB 2958 p. 4

- 1 the earlier of: (1) The date distributions are no longer made under
- 2 RCW 67.70.240(2) (d) and (e); or (2) January 1, 2021.

--- END ---

p. 5 HB 2958